

DO NOT OPEN THIS TEST BOOKLET TILL YOU ARE ASKED TO DO SO

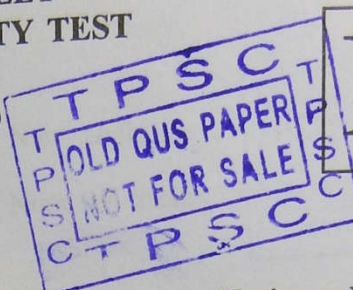
TR/DLTI/COM/P-II/17

Test Booklet Series

TEST BOOKLET  
GENERAL ABILITY TEST

\_\_\_\_\_  
(Signature of the Candidate)

(PART- II)  
(Commerce)



11.09.2017

\_\_\_\_\_  
(Invigilator's Signature)

Time Allowed : 1 hour 30 minutes (One hour thirty minutes)

Maximum Marks : 60

INSTRUCTIONS

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE SCREENING TEST, YOU SHOULD CHECK THAT THIS TEST BOOKLET DOES NOT HAVE ANY UNPRINTED OR TORN OR MISSING PAGES OR ITEMS ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
2. ENCODE CLEARLY THE TEST BOOKLET SERIES IN THE APPROPRIATE PLACE IN THE ANSWER SHEET BY BLACK BALL POINT PEN ONLY.
3. This Test Booklet contains 60 items (questions). Each question, carrying 1 (one) mark only, has four responses (answers). You will select the response which you want to mark on the Answer Sheet. In case you feel that there is more than one correct response, mark the response which you consider the most appropriate. In any case, choose ONLY ONE response for each item.
4. You have to mark all your responses by **Black Ball Point Pen only** on the separate Answer Sheet provided. See directions in the Answer Sheet.
5. All items carry equal marks.
6. Before you proceed to mark in the Answer Sheet the responses to various items in the Test Booklet, you have to fill in some particulars in the Answer Sheet.
7. After you have completed filling in responses on the Answer Sheet and the Screening Test is completed, you should handover the Answer Sheet to the Invigilator only. You are permitted to take the Test Booklet with you.
8. Sheets for rough work are appended on the Test Booklet at the end.
9. **Penalty for wrong answers :**
  - (a) There will be four alternatives for the answer to every question. For each question for which a wrong answer has been given by the candidate, **one-third** of the marks assigned to that question will be deducted as penalty.
  - (b) If a candidate gives more than one answer, it will be treated as a **Wrong Answer** even if one of the given answers happens to be correct and there will be same penalty as above to that question.
  - (c) If a question is left blank, i.e. no answer is given by the candidate, there will be **no penalty** for that question.

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Four options are given against each of the following questions. Select the best/correct option from among the four options and encode in the answer sheet by using **Black Ball Point Pen** only as per example given below :

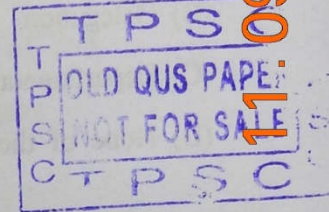
Example : The capital of India is

(A) Delhi

☒ New Delhi

(C) Indraprastha

(D) None of these



1. Who is the father of scientific management ?

(A) Henry Fayol

(B) Koontz O'Donnel

(C) F. W. Taylor

(D) None of these

4. MBO stands for

(A) Management by objective

(B) Management by organisation

(C) Management by order

(D) None of these

2. Working out a pattern of relationship between the various factors of production is called as

(A) Planning

(B) Organisation

(C) Coordination

(D) Control

5. The duration of long-term plan is

(A) 1 to 5 years

(B) 5 to 15 years

(C) 15 to 25 years

(D) 10 years

3. A hierarchy of superiors ranging from the ultimate authority to the lowest rank is called as

(A) Hierarchical order

(B) Social order

(C) Scalar chain

(D) None of these

6. Which of the following organisation structure has clear line of authority ?

(A) Horizontal

(B) Staff

(C) Line

(D) Vertical



7. The process of dividing the large monolithic functional organisation into small and flexible unit is called

- (A) Staffing
- (B) Delegation
- (C) Departmentation
- (D) None of these

8. BEP is equal to

- (A) Fixed cost / contribution
- (B) Contribution / fixed cost
- (C) Fixed cost / selling price
- (D) None of these

9. ROI stands for

- (A) Return on interest
- (B) Return on investment
- (C) Return on insurance
- (D) None of these

10. The ability to bring something new into existence is known as

- (A) Creativity
- (B) Innovation
- (C) Entrepreneurship
- (D) Intrapreneurship

11. Depreciation is a process of

- (A) Valuation
- (B) Allocation
- (C) Reduction
- (D) Appreciation

12. Carriage inward expenses should be divided among the different departments on the basis of

- (A) Light points
- (B) Purchase value
- (C) Sales ratios
- (D) None of these

13. Dependent branch make

- (A) only cash sales
- (B) only credit sales
- (C) cash and credit sales
- (D) None of these

14. In Pure Single Entry which account is recorded ?

- (A) Personal
- (B) Real
- (C) Nominal
- (D) Assets

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15. Difference between networth at the beginning of the year and at the end of the year represents

- (A) Capital balance
- (B) Cash balance
- (C) Pass book balance
- (D) Profit or loss

16. An audit which is compulsory by the law

- (A) Government audit
- (B) Internal audit
- (C) Cost audit
- (D) None of these

17. Management audit otherwise called as

- (A) Final audit
- (B) Efficiency audit
- (C) Cost audit
- (D) None of these

18. Overhead cost is the total of

- (A) all direct cost
- (B) all indirect cost
- (C) indirect and direct cost
- (D) all specific costs

19. Costing refers to the techniques and process of

- (A) Ascertainment of cost
- (B) Allocation of cost
- (C) Absorption of cost
- (D) None of these

20. Auditing begins where ——— ends.

Choose the right option for the gap.

- (A) the management
- (B) the inventory valuation
- (C) accounting
- (D) transactions

21. The liabilities of an auditor can be

- (A) civil
- (B) criminal
- (C) civil and criminal
- (D) official

22. The person to whom the goods are sent for sale on commission basis is called——.

- (A) Merchant
- (B) Consignor
- (C) Consignee
- (D) None of these





31. Definition of prospectus was given under which section ?

- (A) 2 (30)
- (B) 2 (32)
- (C) 2 (34)
- (D) 2 (36)

32. A company can not pay underwriting commission unless it is authorised by its

- (A) Articles
- (B) Memorandum
- (C) both (A) and (B)
- (D) None of these

33. Securities premium amount is treated as the ——— capital of company. (Choose the right options for the gap.)

- (A) issued
- (B) reserve
- (C) subscribed
- (D) None of these

34. Capital redemption reserve must be used for issue of

- (A) fully paid bonus shares
- (B) fully paid equity shares
- (C) preference shares
- (D) None of these

35. Memorandum of Association of any company consists

- (A) Name clause
- (B) Place clause
- (C) Objective clause
- (D) All of these

36. Right share means the share which are

- (A) first offered to the debenture holder
- (B) first offered to the existing share holder
- (C) issued to the directors of the company
- (D) issued by the newly formed company

37. An auditor is like a

- (A) mad dog
- (B) watch dog
- (C) thirsty dog
- (D) greedy dog

38. Which of the following is not the function of RBI ?

- (A) Issue of currency
- (B) Banker's bank
- (C) Control of credit
- (D) Auditing of bank

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39. When a partner retires, decrease in the value of a liability is credited to

- (A) Liability account
- (B) Profit and loss adjustment account
- (C) Realization account
- (D) None of these

40. The price of goods sent by Head office to Branch at a price higher than cost price is called

- (A) invoice price
- (B) actual price
- (C) unloaded price
- (D) None of these

41. Accounting equation is developed with the help of

- (A) Money measurement concept
- (B) Dual aspect concept
- (C) Revenue realization concept
- (D) Historical cost concept

42. Ending price with 99 P is called

- (A) price lining
- (B) prestige pricing
- (C) odd-even pricing
- (D) skimming

43. Who has introduced the concept of market segmentation ?

- (A) N. H. Borden
- (B) Rosser
- (C) Wendell R. Smith
- (D) None of them

44. Process of delegation is

- (A) Horizontal
- (B) Circular
- (C) Bottom up
- (D) Top down

45. Continuous stock taking is a part of

- (A) Annual stock taking
- (B) VED analysis
- (C) ABC analysis
- (D) Perpetual inventory

46. Material usage per month Rs. 1600, buying cost per order Rs. 40, storage and carriage cost 15% of inventory value. Find out economic order quantity (EOQ).

- (A) Rs. 1200
- (B) Rs. 2300
- (C) Rs. 3200
- (D) Rs. 3600



47. The liability of a shareholder of a public limited company is limited to the

- (A) paid up value of share
- (B) nominal value of share
- (C) content of their private assets
- (D) amounts called up

48. New issue market is concerned with

- (A) new securities
- (B) second hand securities
- (C) new as well as second hand securities
- (D) None of these

49. Income which accrue or arise outside India but are received directly into India are taxable in case of

- (A) resident only
- (B) both ordinarily resident and not ordinarily resident
- (C) non-resident
- (D) All the assessees

50. The partial integration of agricultural income is done to compute tax on

- (A) agricultural income
- (B) non-agricultural income
- (C) both agricultural and non-agricultural income
- (D) None of these

51. Mr. A has two house properties. Both are self occupied. The annual value of

- (A) both houses shall be nil
- (B) one house shall be nil
- (C) no house shall be nil
- (D) None of these

52. Under the head 'Business or profession', the method of accounting which an assessee can follow shall be

- (A) mercantile system only
- (B) cash system only
- (C) mercantile or cash system only
- (D) hybrid system

53. Human Resource Management (HRM) aims to maximise employees as organisational

- (A) effectiveness
- (B) economy
- (C) efficiency
- (D) None of these

54. Commercial paper is a

- (A) capital market instrument
- (B) money market instrument
- (C) commodity market instrument
- (D) None of these

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55. When the investment banker bears the risk of not being able to sell a new security at the established price, this is known as

- (A) a best effort offering
- (B) underwriting
- (C) shelf registration
- (D) making a market

56. Which of the following is not a public sector bank in India ?

- (A) Andhra Bank
- (B) Federal Bank
- (C) IDBI Bank
- (D) Vijaya Bank

57. The maturity period of Treasury Bill is

- (A) 91 days
- (B) 364 days
- (C) 40 days
- (D) None of these

58. One of the detailed rules used to record business transactions is

- (A) objectivity
- (B) accruals
- (C) double entry book keeping
- (D) going concern concept

59. Working capital is a measure of

- (A) consistency
- (B) liquidity
- (C) profitability
- (D) solvency

60. Heirarchy of human needs theory was developed by

- (A) Maslow
- (B) Adam Smith
- (C) Malthus
- (D) None of these.

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